

SENATE, No. 1804

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 24, 2020

Sponsored by:

Senator M. TERESA RUIZ

District 29 (Essex)

SYNOPSIS

Requires municipalities, counties, school districts, and local authorities to regularly meet to discuss shared service agreements.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning shared service agreements and supplementing
2 P.L.2007, c.63 (C.40A:65-1 et al.).

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4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

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7 1. a. The governing body of a municipality shall conduct not
8 less than two public meetings per year, together with the board of
9 chosen freeholders of the county, the board of education of each
10 school district, and the governing body of each local authority, or
11 any representatives thereof, to evaluate current shared service
12 agreements and the possibility of additional shared service
13 agreements between each local unit. The public meetings may be
14 held jointly or separately among the local units, except that each
15 public meeting shall be subject to the "Senator Byron M. Baer Open
16 Public Meetings Act," P.L.1975, c.231 (C.10:4-6 et seq.).

17 b. Notwithstanding any provision of law to the contrary, the
18 Commissioner of Community Affairs shall reduce by five percent
19 the amount of State formula aid provided to any municipality that
20 fails to comply with the requirements of subsection a. of this
21 section, except that aid shall not be reduced when noncompliance
22 results from the inaction of another local unit.

23 c. As used in this section:

24 "County" means the county in which the municipality that
25 conducts public meetings pursuant to this section is located.

26 "Local authority" means any authority, as defined in section 3 of
27 P.L.1983, c. 313 (C.40A:5A-3), that services residents of the
28 municipality that conducts public meetings pursuant to this section.

29 "Local unit" includes a municipality, county, local authority, and
30 school district.

31 "School district" means any local or regional school district
32 established pursuant to chapter 8 or chapter 13 of Title 18A of the
33 New Jersey Statutes that services residents of the municipality that
34 conducts public meetings pursuant to this section.

35 "State formula aid" means the total current year funding
36 provided to a municipality as Energy Tax Receipts Property Tax
37 Relief Aid provided, pursuant to the "Energy Tax Receipts Property
38 Tax Relief Act," P.L.1997, c.167 (C.52:27D-439 et seq.), and
39 Consolidated Municipal Property Tax Relief Aid, pursuant to
40 section 2 of P.L.1999, c.168 (C.52:27D-442).

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42 2. This act shall take effect on January 1 next following the
43 enactment of the bill.

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46 **STATEMENT**

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48 This bill requires municipalities, counties, school districts, and
49 local authorities to regularly meet to discuss shared service
50 agreements.

1 Specifically, the governing body of a municipality would be
2 required to conduct not less than two public meetings per year with
3 the board of chosen freeholders of the county, the board of
4 education of each school district, and the governing body of each
5 local authority, or any representatives thereof, to evaluate current
6 shared service agreements and the possibility of additional shared
7 service agreements. The public meetings may be conducted jointly
8 among all or several local units, or separately between each local
9 unit. However, each public meeting would be subject to the
10 requirements of the "Senator Byron M. Baer Open Public Meetings
11 Act."

12 Under the bill, a school district is defined as any local or regional
13 public school district that services residents of the municipality that
14 conducts the public meeting. As used in the bill, a "local authority"
15 is an authority, as defined in the "Local Authorities Fiscal Control
16 Law," that services residents of the municipality that conducts the
17 public meeting. Similarly, the bill defines a "county" as the county
18 in which the municipality is located.

19 Additionally, any municipality that violates the requirements of
20 the bill would incur a five percent reduction in formula aid (i.e.,
21 Energy Tax Receipts Property Tax Relief Aid and Consolidated
22 Municipal Property Tax Relief Aid). However, a municipality
23 would not be penalized if the violation occurred due to the inaction
24 of a county, school district, or local authority.

25 The bill would take effect on January 1 next following the
26 enactment of the bill.